Docket No.: 65678-0042
(PATENT)
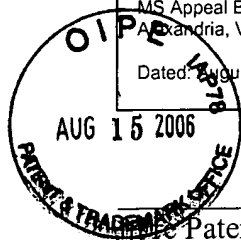
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Patent Application of:
J. A. Bly et al.

Application No.: 09/990,911

Confirmation No.: 4207

Filed: November 14, 2001

Art Unit: 3621

For: SYSTEM AND METHOD FOR DISPOSING OF ASSETS

Examiner: C. L. Hewitt

SUPPLEMENTAL APPEAL BRIEF

MS Appeal Brief
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

This appeal is from the decision of the Primary Examiner dated December 17, 2004 ("Final Office Action"), finally rejecting claims 1-23, which are reproduced as an Appendix to this brief. The Notice of Appeal was filed on March 16, 2005. This application was filed on November 14, 2001. An Appeal Brief was filed on May 5, 2005. An Amended Appeal Brief was filed August 9, 2005 to remedy an alleged defect noted by the Examiner in the "Communication Re: Appeal" mailed August 1, 2005 (paper no. 20050719). This Supplemental Appeal Brief is in response to the Notification of Non-Compliant Appeal Brief mailed July 14, 2006.

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I. **REAL PARTY IN INTEREST**

The Real Party-In-Interest is Dana Corporation, located at 4500 Dorr Street, P.O. Box 1000, Toledo, Ohio 43697. Dana Corporation was assigned all rights to the U.S. Patent Application identified by Serial No. 09/990,911 on May 15, 2003 by Dana Commercial Credit Corporation of 660 Beaver Creek Circle, Maumee, Ohio 43537.

II. RELATED APPEALS AND INTERFERENCES

On July 9, 2003, Appellant filed a notice of appeal, and on September 9, 2003 Appellant filed an Appeal Brief, appealing the final rejection of U.S. Application Serial No. 09/441,289. On January 7, 2005, this Board issued a decision reversing the Examiner's rejection of all pending claims (claims 16 and 21-48). Pursuant to 37 C.F.R. § 41.37(c)(1)(ii), a copy of the afore-mentioned decision of this Board is attached hereto in Appendix C. Application 09/441,289 has issued as U.S. Patent No 7,062,446. The application at issue in this appeal is a C-I-P application claiming priority from application 09/441,289.

On July 9, 2003, Appellant filed a notice of appeal, and on September 9, 2003 Appellant filed an Appeal Brief, appealing the final rejection of U.S. Application Serial No. 09/504,000, filed February 14, 2000 as a C-I-P application claiming priority from application 09/441,289. Appellant received an Office Action proposing to re-open prosecution on July 22, 2005. However, Appellant elected to continue the Appeal, and filed a Reply Brief on October 21, 2005. The application at issue in this appeal is a C-I-P application claiming priority from application 09/504,000.

On October 9, 2003, Appellant filed a notice of appeal, and on December 9, 2003 Appellant filed an Appeal Brief, appealing the final rejection of U.S. Application Serial No. 09/504,343, filed February 14, 2000 as a C-I-P application claiming priority from application 09/441,289. On February 23, 2004, an Examiner's Answer was mailed and subsequently Appellant filed a Reply Brief on April 23, 2004. The application at issue in this appeal is a C-I-P application claiming priority from application 09/504,343.

On October 24, 2003, Appellant filed a notice to appeal the final rejection of U.S. Application Serial Number 09/503,671, filed February 14, 2000 as a C-I-P application claiming priority from application 09/441,289. On November 25, 2003, after Appellant had filed the afore-mentioned notice of appeal, the Office mailed a new final rejection of all claims. In response, Appellant submitted an Amendment Pursuant to 37 C.F.R. §1.116 and a Notice of Appeal, both dated January 20, 2004. An Advisory Action was mailed on February 2, 2004. Appellant subsequently filed an Appeal Brief on April 20, 2004. An Examiner's Answer was mailed June 4, 2004. Appellant subsequently filed a Reply Brief on August 3, 2004. Appellant

received Docketing Notice assigning Appeal No. 2006-2447. The application at issue in this appeal is a C-I-P application claiming priority from application 09/503,671.

On December 12, 2003, Appellant filed a notice of appeal, and on February 12, 2004 Appellant filed an Appeal Brief, appealing the final rejection of U.S. Application Serial No. 09/702,363, filed October 31, 2000 as a C-I-P application claiming priority from application 09/441,289. Following an interview with the Examiner on May 10, 2004 and an Amendment filed May 14, 2004, application 09/702,363 has issued as U.S. Patent No. 6,952,680. The application at issue in this appeal is a C-I-P application claiming priority from application 09/702,363.

On December 12, 2003, Appellant filed a notice to appeal, and on February 12, 2004 Appellant filed an Appeal Brief, appealing the final rejection of U.S. Application Serial Number 09/653,735, filed September 1, 2000 as a C-I-P application claiming priority from the following applications: U.S. Application Serial No. 09/441,289 filed November 16, 1999; U.S. Provisional Application Serial No. 60/166,042 filed November 17, 1999; U.S. Application Serial No. 09/503,671 filed February 14, 2000; U.S. Application Serial No.09/504,000 filed February 14, 2000; and U.S. Application Serial No. 09/504,343 filed February 14, 2000. On April 26, 2005, this Board issued a decision reversing the Examiner's rejection of all pending claims (claims 1-8 and 12-24). Pursuant to 37 C.F.R. § 41.37(c)(1)(ii), a copy of the afore-mentioned decision of this Board is attached hereto in Appendix C. Per a Notice of Allowance dated November 8, 2005, all pending claims of application 09/653,735 are allowed. The application at issue in this appeal is a C-I-P application claiming priority from application 09/653,735.

On May 4, 2004, Appellant filed a notice to appeal, and on July 1, 2004 Appellant filed an Appeal Brief, appealing the final rejection of U.S. Application Serial No. 09/714,702, filed November 16, 2000 as a C-I-P application claiming priority from application 09/441,289. The application at issue in this appeal is a C-I-P application claiming priority from application 09/714,702.

On July 29, 2006, Appellant filed a notice to appeal the final rejection of U.S. Application Serial Number 09/995,287, filed November 26, 2001 as a C-I-P application claiming priority from application 09/441,289. The application at issue in this appeal is a C-I-P application claiming priority from 09/995,287.

III. STATUS OF CLAIMS

Claims 1-23 are pending, and are the subject of this Appeal. Claims 1, 17, and 21 are independent claims. No claims have been amended, withdrawn, or cancelled during prosecution of this patent application.

In the Final Office Action, claims 1-23 were rejected under 35 U.S.C. § 101 for allegedly failing to recite statutory subject matter. Claims 12, 17, and 22 were rejected under 35 U.S.C. § 112, second paragraph, for allegedly failing to particularly point out and distinctly claim the subject matter which Applicants regard as their invention. Claims 1-23 were rejected under 35 U.S.C. 103(a) as being allegedly unpatentable over U.S. Patent No. 6,067,525 ("Johnson") in view of U.S. Patent No. 6,236,990 ("Geller").[1]

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[1] Paragraph 7 of the Final Office Action does not initially identify Geller as a basis for the Section 103 rejection of claims 1-23. However, inasmuch as the Examiner acknowledged certain deficiencies of Johnson in the body of the rejection and allegedly cures these deficiencies with Geller (*see* Final Office Action, page 7), it is clear that claims 1-23 in fact stand rejected as unpatentable over Johnson in view of Geller.

IV. STATUS OF AMENDMENTS

No amendments have been filed subsequent to the final rejection. A copy of all claims on appeal is attached hereto as an Appendix.

V. SUMMARY OF CLAIMED SUBJECT MATTER

The following is a concise explanation of the subject matter defined in each of the independent claims involved in the appeal, as required by 37 C.F.R. § 41.37(c)(1)(v). In general, the following explanation is not intended to be used to construe the claims, which are believed to speak for themselves, nor does Appellant intend the following explanation to modify or add any claim elements, or to constitute a disclaimer of any equivalents to which the claims would otherwise be entitled, nor is any discussion of certain preferred embodiments herein intended to disclaim other possible embodiments. References herein to the Specification are intended to be exemplary and not limiting.

A. Claim 1

Claim 1 recites an electronic system for facilitating disposition of an asset currently under lease by an asset user. The system includes at least one database configured to store information associated with a plurality of assets. Referring to Figure 1 of the Specification, database server 34 is configured for executing all database serving within electronic system 20, and may comprise suitably adapted hardware selected, in part, on anticipated traffic and data access response-time standards set for system 20. Database server 34 may include conventional, commercially available software, such as Windows NT 4.0 operating system software, and Microsoft SQL server 7.0 database server software, both from Microsoft, Redmond, Washington USA. (Specification, page 15, lines 22-29.)

The system of claim 1 further comprises a set of pre-defined conditions related to a recommendation of asset disposition based on an automated analysis of said information within said system, at least one of said conditions being met. For example, it may be desirable to have a subsystem that runs on a periodic basis, which compares a subset of all assets within system with a series of pre-defined conditions to determine if an action needs to be taken with respect to asset disposition. The pre-defined conditions include either a time variable or a cost variable. For example, one condition using a time variable involves the natural end of an asset lease – including, for example a set time period such as six (6) months prior to an end of a lease. Thus, the time variable is associated with the passage of time. A second condition using a time variable includes a situation such as when a particular asset has excessive usage compared to its time (e.g., hours) in service. An example condition using a cost variable involves an over usage

of an asset, wherein based on such over usage, penalties begin to be invoked. Another example condition using a cost variable results when an analysis shows that the cost of leasing an asset appears to be higher than a threshold level when compared to other asset usage options that are immediately available to the asset user (e.g., a lessee) such as by purchasing more assets at a lower cost or reallocating existing assets between locations. It is also possible to develop pre-defined conditions using a combination of time and cost variables. For example, an excessive usage criteria may involve both a time element and a cost element. (Specification, page 40, lines 5-29.)

The system of claim 1 further comprises a hierarchy of disposition options generated by said system based on said at least one of said conditions, wherein said conditions and said options are chosen to reduce expense by maximizing return on investment to the asset user. With reference to Figure 1, the data for making the various options comes from market database 36, global asset database 38, fleet database 40 or asset database 42. As noted above, these may actually be one or more separate databases. Typically, the information used to determine the pre-defined conditions and available options comes from asset identification data, maintenance history data, and lease term. The identification data includes asset make/model and serial number. Lease term may be determined by an analysis of at least two of three pieces of data, namely, lease start date, lease end date, and the length of time between the lease start and end dates. Possible options based on pre-defined conditions include: the leasing of additional assets to reduce the amount of use of a pre-existing asset; a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives; the leasing of additional assets; asset lease renewal; asset purchase or buyout; asset disposal; asset sale; or asset sale and purchase of replacement assets. Associated with each option is the cost of invoking the option and the reasons why the system, in accordance with its review of each option in accordance with the pre-defined rules, believes that the selected hierarchy of options is preferred. Most often the controlling factor will be total price to the asset user for the collection of assets performing the same or similar function. (Specification, page 41, lines 2-26.)

B.   Claim 17

Claim 17 recites an electronic system for facilitating disposition of an asset currently under lease by an asset user. The system of claim 17 comprises at least one database configured to store information associated with a plurality of assets. Referring to Figure 1 of the

Specification, database server 34 is configured for executing all database serving within electronic system 20, and may comprise suitably adapted hardware selected, in part, on anticipated traffic and data access response-time standards set for system 20. Database server 34 may include conventional, commercially available software, such as Windows NT 4.0 operating system software, and Microsoft SQL server 7.0 database server software, both from Microsoft, Redmond, Washington USA. (Specification, page 15, lines 22-29.)

The system of claim 17 further comprises a set of pre-defined conditions related to a recommendation of asset disposition based on an automated analysis of said information within said system, each of said conditions comprising at least one of a time variable and a cost variable, at least one of said conditions being met. For example, it may be desirable to have a subsystem that runs on a periodic basis, which compares a subset of all assets within system with a series of pre-defined conditions to determine if an action needs to be taken with respect to asset disposition. The pre-defined conditions include either a time variable or a cost variable. For example, one condition using a time variable involves the natural end of an asset lease – including, for example a set time period such as six (6) months prior to an end of a lease. Thus, the time variable is associated with the passage of time. A second condition using a time variable includes a situation such as when a particular asset has excessive usage compared to its time (e.g., hours) in service. An example condition using a cost variable involves an over usage of an asset, wherein based on such over usage, penalties begin to be invoked. Another example condition using a cost variable results when an analysis shows that the cost of leasing an asset appears to be higher than a threshold level when compared to other asset usage options that are immediately available to the asset user (e.g., a lessee) such as by purchasing more assets at a lower cost or reallocating existing assets between locations. It is also possible to develop pre-defined conditions using a combination of time and cost variables. For example, an excessive usage criteria may involve both a time element and a cost element. (Specification, page 40, lines 5-29.)

The system of claim 17 further comprises a hierarchy of disposition options generated by said system based on said at least one of said conditions, wherein said conditions and said options are chosen to reduce expense by maximizing return on investment to the asset user. With reference to Figure 1, the data for making the various options comes from market database 36, global asset database 38, fleet database 40 or asset database 42. As noted above, these may

actually be one or more separate databases. Typically, the information used to determine the pre-defined conditions and available options comes from asset identification data, maintenance history data, and lease term. The identification data includes asset make/model and serial number. Lease term may be determined by an analysis of at least two of three pieces of data, namely, lease start date, lease end date, and the length of time between the lease start and end dates. Possible options based on pre-defined conditions include: the leasing of additional assets to reduce the amount of use of a pre-existing asset; a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives; the leasing of additional assets; asset lease renewal; asset purchase or buyout; asset disposal; asset sale; or asset sale and purchase of replacement assets. Associated with each option is the cost of invoking the option and the reasons why the system, in accordance with its review of each option in accordance with the pre-defined rules, believes that the selected hierarchy of options is preferred. Most often the controlling factor will be total price to the asset user for the collection of assets performing the same or similar function. (Specification, page 41, lines 2-26.)

The system of claim 17 further comprises a manual check and confirmation of said hierarchy of options, wherein a rejection of said hierarchy generates feedback selectively modifying said availability of future options by said system. In general, an account manager will review one or more of the proposed options generated by the system to confirm his agreement with both the hierarchy and the specifics of each option. Alternatively, the account manager may just review the present option to confirm his agreement with the specific proposal. In some cases it may be desirable to bypass the account manager to have it sent directly to the asset user. However, in many cases, minor adjustments may be appropriate before the option details are transmitted to the asset user. Depending on the nature of the refinements, however, it may be desirable to refine the pre-defined rules in general or for a particular asset user if the nature of the refinement represents particular preferences of such a user. For example, a particular customer may never wish to buy an asset under any circumstances so an option related to a buyout should never be presented to that customer. (Specification, page 43, lines 1-17.)

C.   Claim 21

Claim 21 recites a method for facilitating disposition of an asset currently under lease an asset user. The method comprises configuring at least one database and storing information associated with a plurality of assets. Referring to Figure 1 of the Specification, database server

34 is configured for executing all database serving within electronic system 20, and may comprise suitably adapted hardware selected, in part, on anticipated traffic and data access response-time standards set for system 20. Database server 34 may include conventional, commercially available software, such as Windows NT 4.0 operating system software, and Microsoft SQL server 7.0 database server software, both from Microsoft, Redmond, Washington USA. (Specification, page 15, lines 22-29.)

The method of claim 21 further comprises analyzing said information in accordance with a set of pre-defined conditions, each of said conditions comprising at least one of a time variable and a cost variable. For example, it may be desirable to have a subsystem that runs on a periodic basis, which compares a subset of all assets within system with a series of pre-defined conditions to determine if an action needs to be taken with respect to asset disposition. The pre-defined conditions include either a time variable or a cost variable. For example, one condition using a time variable involves the natural end of an asset lease – including, for example a set time period such as six (6) months prior to an end of a lease. Thus, the time variable is associated with the passage of time. A second condition using a time variable includes a situation such as when a particular asset has excessive usage compared to its time (e.g., hours) in service. An example condition using a cost variable involves an over usage of an asset, wherein based on such over usage, penalties begin to be invoked. Another example condition using a cost variable results when an analysis shows that the cost of leasing an asset appears to be higher than a threshold level when compared to other asset usage options that are immediately available to the asset user (e.g., a lessee) such as by purchasing more assets at a lower cost or reallocating existing assets between locations. It is also possible to develop pre-defined conditions using a combination of time and cost variables. For example, an excessive usage criteria may involve both a time element and a cost element. (Specification, page 40, lines 5-29.)

The method of claim 21 further comprises meeting at least one of said pre-defined conditions. For example, it may be desirable to have a subsystem that runs on a periodic basis, which compares a subset of all assets within system with a series of pre-defined conditions to determine if an action needs to be taken with respect to asset disposition. The pre-defined conditions include either a time variable or a cost variable. For example, one condition using a time variable involves the natural end of an asset lease – including, for example a set time period such as six (6) months prior to an end of a lease. Thus, the time variable is associated with the

passage of time. A second condition using a time variable includes a situation such as when a particular asset has excessive usage compared to its time (e.g., hours) in service. An example condition using a cost variable involves an over usage of an asset, wherein based on such over usage, penalties begin to be invoked. Another example condition using a cost variable results when an analysis shows that the cost of leasing an asset appears to be higher than a threshold level when compared to other asset usage options that are immediately available to the asset user (e.g., a lessee) such as by purchasing more assets at a lower cost or reallocating existing assets between locations. It is also possible to develop pre-defined conditions using a combination of time and cost variables. For example, an excessive usage criteria may involve both a time element and a cost element. (Specification, page 40, lines 5-29.)

The method of claim 21 further comprises recommending asset disposition using a hierarchy of disposition options and selecting said conditions and said options by reducing expense and maximizing return on investment to the asset user. Typically, the information used to determine the pre-defined conditions and available options comes from asset identification data, maintenance history data, and lease term. The identification data includes asset make/model and serial number. Lease term may be determined by an analysis of at least two of three pieces of data, namely, lease start date, lease end date, and the length of time between the lease start and end dates. Possible options based on pre-defined conditions include: the leasing of additional assets to reduce the amount of use of a pre-existing asset; a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives; the leasing of additional assets; asset lease renewal; asset purchase or buyout; asset disposal; asset sale; or asset sale and purchase of replacement assets. Associated with each option is the cost of invoking the option and the reasons why the system, in accordance with its review of each option in accordance with the pre-defined rules, believes that the selected hierarchy of options is preferred. Most often the controlling factor will be total price to the asset user for the collection of assets performing the same or similar function. (Specification, page 41, lines 5-26.).

VI.   GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The grounds of rejection to be review on appeal are:

1.   That claim 1-23 are not patentable under 35 U.S.C. § 101.

2.   That claims 12, 17, and 22 are not patentable under 35 U.S.C. § 112.

3.   That claims 1-23 are not patentable over Johnson in view of Geller.

Accordingly, issues to be decided by this Honorable Board are:

1.   Whether claims 1-23 are patentable under 35 U.S.C. § 101.

2.   Whether claims 12, 17, and 22 are patentable under 35 U.S.C. § 112.

3.   Whether Johnson teaches or suggests "a set of predefined conditions" as required by claims 1, 17, and 21 (and therefore by each of claims 1-23).

4.   Whether the Examiner stated a *prima facie* case of obviousness in rejecting claims 1-23.

5.   Whether Johnson and Geller are capable of a combination that renders claims 1-23 obvious.

6.   Whether Geller teaches or suggests "a hierarchy of disposition options" as required by claims 1, 17, and 21 (and therefore by each of claims 1-23).

7.   Whether Johnson or Geller teaches or suggests "at least one of said conditions being met when an asset approaches the end of a lease term," as is required by claims 3 and 18.

8.   Whether Johnson or Geller teaches or suggests a "cost variable including a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives," as is required by claims 7 and 18.

9.   Whether Johnson or Geller teaches or suggests "a manual check and confirmation of said hierarchy of options," as is required by claims 12, 17, and 22.

VII.   ARGUMENT

A.   Ground of Rejection No. 1: Claims 1-23 Are Patentable Under 35 U.S.C. § 101.

The Examiner's basis for rejecting claims 1-23 under 35 U.S.C. § 101 was an allegation

that Appellants'

> claimed invention does not fall within the technological arts
> because no form of technology is disclosed or claimed. Claims 1,
> 17, and 21 use the term "database". However, in the context of
> [Applicants'] claims a database can be a notebook, or even a piece
> of paper. Hence, the claimed invention does not promote the
> progress of science and the useful arts.

(Final Office Action, page 4.) However, the provision of the United States Constitution (Article

I, § 8) from which the Examiner appears to quote notwithstanding, Section 101[2] does not require

that a claimed invention "promote the progress of science and the useful arts." *See* 35 U.S.C. §

101. Nor does Section 101 require that a "claimed invention . . . fall within the technological

arts." *See id.* Accordingly, the Section 101 rejection of claims 1-23 should be reversed for the

sole reason that the bases for the rejection are simply not supported by the plain language of

Section 101.

Further, assuming *arguendo* that the Examiner has properly construed Appellants'

claims, there is no reason why a claim requiring use of a notebook or a piece of paper would not

be patentable under Section 101. Appellants' claims plainly recite systems and methods that

produce useful, concrete, and tangible results, and therefore are clearly patentable under Section

101. *See State Street Bank & Trust Co. v. Signature Financial Group, Inc.,* 149 F.3d 1368, 1375

(Fed. Cir. 1998).

Accordingly, for any of the foregoing reasons, the Examiner's rejection of claims 1-23

under Section 101 should be reversed.

**B.   Ground of Rejection No. 2: Claims 12, 17, and 22 are Patentable Under 35 U.S.C. §
112.**

Claims 12, 17, and 22 each recite "a manual check and confirmation of said hierarchy of

options." The Final Office Action (page 5) states that this limitation fails to meet the

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[2] Section 101 states that:

> Whoever invents or discovers any new and useful process, machine,
> manufacture, or composition of matter, or any new and useful improvement
> thereof, may obtain a patent therefor, subject to the conditions and requirements
> of this title.

requirement of 35 U.S.C. § 112, second paragraph, to recite "claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." The Examiner contended that the recitation of a "manual check" is a recitation of "limitations that occur outside the system." However, the recited manual check is clearly disclosed in paragraph 122 of Appellants' Specification, which explains that in one embodiment "the proposed options [in a hierarchy of options] are manually reviewed." Appellants' Specification thus makes clear that they regarded the limitation of "a manual check and confirmation of said hierarchy of options" as being included in the subject matter that they regarded as their invention. Accordingly, the Examiner's rejection of claims 12, 17, and 22 under Section 112 should be reversed.

C.   Ground of Rejection No. 3: Claims 1-23 Are Patentable Under 35 U.S.C. § 103.

Claims 1-23 stand rejected under 35 U.S.C. § 103(a) as allegedly unpatentable over Johnson in view of Geller. Even if Johnson and Geller did teach or suggest all of Appellants' claim limitations, which, as discussed below, they do not, the prior art of record lacks motivation to combine these references. Indeed, as is also discussed below, the Examiner failed to state any motivation to combine Johnson and Geller, nor did the Examiner demonstrate that attempting such a combination would have had a reasonable expectation of success. In fact, because Johnson teaches a system for assisting product sellers, and Geller teaches a system for assisting product purchasers, Johnson and Geller are simply incapable of combination. Accordingly, for at least the independent reasons explained below, the Section 103 rejection of claims 1-23 should be reversed.

1.   Johnson Does Not Teach Or Suggest "a set of pre-defined conditions" As Required By Claims 1, 17, and 21.

Claims 1 and 17 each recite "a set of pre-defined conditions related to a recommendation of asset disposition based on an automated analysis of said information [associated with a plurality of assets] within said system." Similarly, claim 21 recites "analyzing said information [associated with a plurality of assets] in accordance with a set of pre-defined conditions." Appellants' Specification (paragraph 114) provides helpful examples of "predefined conditions":

> The pre-defined conditions include either a time variable or a cost variable. For example, one condition using a time variable involves the natural end of an asset lease – including, for example a set time period such as six (6) months prior to an end of a lease. Thus, the time variable is associated with the passage of time. A second condition using a time variable includes a situation such as when a particular asset has excessive usage compared to its time (e.g., hours) in service.

> An example condition using a cost variable involves an over usage of an asset, wherein based on such over usage, penalties begin to be invoked. Another example condition using a cost variable results when an analysis shows that the cost of leasing an asset appears to be higher than a threshold level when compared to other asset usage options that are immediately available to the asset user (e.g., a lessee) such as by purchasing more assets at a lower cost or reallocating existing assets between locations. It is also possible to develop pre-defined conditions using a combination of time and cost variables. For example, an excessive usage criteria may involve both a time element and a cost element.

Contrary to the Examiner's assertion (Final Office Action, pages 5-6), Johnson nowhere teaches or suggests the forgoing claim limitations relating to "pre-defined conditions."

Johnson is directed toward a sales force automation system. (Johnson, Abstract.) Accordingly, the portions of Johnson cited by the Examiner disclose a series of modules to aid in a product sales process, beginning with a "configuration module" used by a salesperson "to accurately configure and price a product that passes engineering, manufacturing, and customer requirements." (Johnson, 13: 46-48.) Johnson's configuration module (as well as the rest of Johnson's system used after the configuration module) has nothing to do with pre-defined conditions related to a recommendation of asset disposition. Instead, Johnson's configuration module is intended to support sales of products that might not have even been manufactured, and have not been sold or used, at the time of sale. Therefore, Johnson cannot possibly teach or suggest the recited analysis of information related to asset usage that is clearly required by claims 1, 17, and 21. Johnson at most teaches analyzing product prices, specifications, features and functions, etc., *i.e.*, descriptions of a type of product, and offers no hint of analyzing information associated with actual assets. Accordingly, the pre-defined conditions required by claims 1, 17, and 21 simply could not exist in Johnson's system.

Perhaps more importantly, Johnson does not teach or suggest any "pre-defined conditions" at all. Rather, Johnson's series of modules accept inputs and performs calculations based on those inputs. For example Johnson's "quotation module" takes into account "unit price, quantity, tradein value, discounts, fees, and taxes" and thereby "facilitates calculation and preparation of a bottom line quotation." (Johnson, 14: 22-25.) Similarly, to take another example, Johnson's "finance module" is designed "to assist the salesperson in quickly calculating and presenting finance or lease alternatives to customers based on information collected from other modules." (Johnson, 15: 17-20.) In sum, Johnson teaches at most performing pre-determined *calculations*, but nowhere suggests that those calculations depend on any pre-defined *conditions*, much less pre-defined conditions based on an analysis of information

associated with a plurality of assets, as is required by claims 1, 17, and 21. And even if Johnson did disclose pre-determined conditions, Johnson contains absolutely no teaching or suggestion of pre-determined conditions used "to determine if an action needs to be taken with respect to asset disposition." (*See* Specification, paragraph 114.)

Claims 1, 17, and 21 are accordingly in condition for allowance for at least the foregoing independent reasons, as are claims 2-16, 18-20, and 22-23 depending respectively therefrom. Therefore, the Examiner's rejection of claims 1-23 under Section 103 should be reversed.

2. Neither Johnson Nor Geller Teaches Or Suggests a "hierarchy of disposition options" As Required By Claims 1, 17, and 21.

Claims 1 and 17 recite "a hierarchy of disposition options generated by said system based on said at least one of said conditions." Similarly, claim 21 recites "recommending asset disposition using a hierarchy of disposition options." Johnson, as the Examiner acknowledges, does "not provide a hierarchy of options." (Final Office Action , page 7.) Further, Geller does not cure the deficiencies of Johnson for at least three reasons. First, the Examiner has failed to meet his burden of stating a *prima facie* case of obviousness for the combination of Johnson and Geller at least because the Examiner has provided no motivation to modify Johnson with the alleged teachings of Geller. Second, Johnson and Geller are incapable of being combined to meet Appellants' claim limitations. Third, Geller fails to teach or suggest "a hierarchy of disposition options," and therefore even if Johnson and Geller could be combined, such a combination would not render claims 1, 17, and 21 obvious.

a. The Examiner Failed To State A *Prima Facie* Case Of Obviousness.

Section 2142 of the MPEP explains the Examiner's burden of stating a *prima facie* case of obviousness as follows:

> The examiner bears the initial burden of factually supporting any prima facie conclusion of obviousness. If the examiner does not produce a prima facie case, the applicant is under no obligation to submit evidence of nonobviousness. If, however, the examiner does produce a prima facie case, the burden of coming forward with evidence or arguments shifts to the applicant . . . . To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck,* 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

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Here, the Examiner has simply failed to state any motivation at all to combine Johnson and Geller to meet Appellants' claim limitations, much less point to any such motivation in the prior art. Rather, the Examiner has simply made a rejection of the form "Johnson teaches X but not Y; Geller teaches Y; therefore it would have been obvious to combine Johnson and Geller." (*See* Final Office Action, page 7.) Nor has the Examiner stated, much less shown from the prior art, that a combination of Johnson and Geller would have any reasonable expectation of success.

The Examiner has wholly failed to state a *prima facie* case of obviousness with respect to claims 1, 17, and 21. Claims 1, 17, and 21 are accordingly in condition for allowance for at least this independent reason, as are claims 2-16, 18-20, and 22-23 depending respectively therefrom.

b. Johnson and Geller Are Incapable Of Combination.

Not only has the Examiner failed to show that there would have been a reasonable expectation of success for one of ordinary skill in the art attempting to combine Johnson and Geller, but Johnson and Geller are, in fact, incapable of combination. Johnson, as noted above, discloses and claims a sales automation system designed to assist salespersons in selling products. Geller, on the other hand, teaches a system to assist shoppers in selecting products from a catalog. (Geller, Abstract, Fig. 3.) The Examiner provides no explanation of how Johnson's system for assisting product *sellers* could be combined with Geller's system for assisting product *purchasers*. Indeed, Johnson offers absolutely no teaching or suggestion that his system could or should be adapted for use by shoppers, rather than salespersons. Clearly, any modification of Johnson with teachings from Geller would be inoperable. That is, even if Geller did teach presenting a hierarchy of asset disposition options to a potential purchaser, which it does not, a modification of Johnson with Geller's teaching would be pointless, because Johnson's system does not enable use by potential purchasers. Thus, any feature from Geller imported into Johnson simply would have no effect. i.e., Johnson and Geller could not have been combined by one of ordinary skill in the art.

Claims 1, 17, and 21 are accordingly in condition for allowance for at least this independent reason, as are claims 2-16, 18-20, and 22-23 depending respectively therefrom.

c. Geller Fails To Teach "a hierarchy of disposition options."

As noted above, claims 1, 17, and 21 each contain clear limitations requiring "a hierarchy of disposition options" for disposing of an asset. The Examiner fails to even contend that Geller anticipates these claim limitations, stating that Geller teaches "a ranking system that allows a

user to rank products." (Final Office Action , page 7.) Geller's product ranking is clearly different from the recited "hierarchy of disposition options," which, as Appellants' Specification (*e.g.,* paragraph 129) makes clear, refers to an order of presenting, to an asset user, different options for disposing of the asset. Thus, Appellants' claims have nothing at all to do with ranking products, and, in fact, have nothing to do with ranking assets. Moreover, even if "a hierarchy of disposition options" was a ranking of dispositions, such a ranking is clearly different than a ranking of products. In sum, claims 1, 17, and 21 recite "a hierarchy of disposition options" for disposing of an asset, which is in no way taught or suggested by Geller's system for ranking products.

Claims 1, 17, and 21 are accordingly in condition for allowance for at least the foregoing independent reason, as are claims 2-16, 18-20, and 22-23, depending respectively therefrom.

3.   Appellants' Dependent Claims Are Separately Patentable.

As Appellants argued in their paper filed September 14, 2004, the prior art of record fails to teach or suggest the limitations of their dependent claims. For example, as discussed herein below, claims 3, 7, 12, 18, and 22 are clearly patentable over Johnson and Geller.

a.   Johnson Fails To Teach or Suggest The Limitations Of Claims 3 And 18.

Claims 3 and 18 recite "at least one of said conditions being met when an asset approaches the end of a lease term." The Final Office Action did not address this claim limitation. Further, as noted above, Johnson teaches a sales force automation system for configuring products, and managing product sales. Accordingly, Johnson does not teach or suggest anything having to do with an asset lease term, much less anything related to "conditions being met when an asset approaches the end of a lease term." Claims 3 and 18 are each separately patentable for at least this reason.

b.   Johnson Fails To Teach or Suggest The Limitations Of Claims 7 And 18.

Claims 7 and 18 recite a "cost variable including a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives." Because, as noted above, Johnson provides no teaching or suggestion regarding asset leasing, Johnson cannot, and in fact does not, provide any teaching or suggestion of "a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives." Claims 7 and 18 are each separately patentable for at least this reason.

c.   **Johnson Fails To Teach or Suggest The Limitations Of Claims 12, 17, And 22.**

Claims 12, 17, and 22 each recite "a manual check and confirmation of said hierarchy of options." In the Final Office Action (page 7), the Examiner asserted that these claims "recite additional non-functional data as they refer to steps/process/features that occur outside the system." Appellants respectfully suggest that the Board should reverse the rejection of claims 12, 17, and 22 under Section 103 because the basis for the rejection is unclear. The recited manual check is a limitation on how the claimed systems and method function, which limitation the Examiner apparently conceded is not found in the prior art of record. Inasmuch as the limitation is required by the plain language of the claims, it is unclear how it is "outside the system," or how the Examiner is relieved of the obligation to cite prior art reading on the limitation. Claims 12, 17, and 22 are each separately patentable for at least this reason.

VIII. CONCLUSION

In view of the foregoing arguments, Appellants respectfully submit that the pending claims are patentable under 35 U.S.C. §§ 101 and 112, and are further novel over the cited references and therefore patentable under 35 U.S.C. § 103(a). The Examiner's rejection of claims 1-23 is improper because the prior art of record does not teach or suggest each and every element of the claimed invention. In view of the above analysis, a reversal of the rejections of record is respectfully requested of this Honorable Board.

Appellants believe no fee is due with this paper. However, if a fee is due, please charge our Deposit Account No. 18-0013, under Order No. 65678-0042, from which the undersigned is authorized to draw. To the extent necessary, a petition for extension of time under 37 C.F.R. § 1.136 is hereby made, the fee for which should be charged to the above account.

Dated: August 11, 2006

Respectfully submitted,

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APPENDIX A – CLAIMS ON APPEAL

A complete listing of the claims that are the subject of this Appeal is as follows.

1.   An electronic system for facilitating disposition of an asset currently under lease by an asset user, comprising:

at least one database configured to store information associated with a plurality of assets;

a set of pre-defined conditions related to a recommendation of asset disposition based on an automated analysis of said information within said system, at least one of said conditions being met; and

a hierarchy of disposition options generated by said system based on said at least one of said conditions, wherein said conditions and said options are chosen to reduce expense by maximizing return on investment to the asset user.

2.   An electronic system as recited in claim 1, wherein said pre-defined conditions include at least one of a time variable and a cost variable.

3.   An electronic system as recited in claim 2, wherein said time variable comprises a passage of time, said at least one of said conditions being met when an asset approaches the end of a lease term.

4.   An electronic system as recited in claim 3, wherein said options include lease renewal; asset buyout; and asset return.

5.   An electronic system as recited in claim 3, wherein said time variable comprises asset usage within a predetermined period of time, said at least one of said conditions being met when asset use exceeds a usage criteria based on time in service.

6.   An electronic system as recited in claim 5, wherein said options include the leasing of additional assets to reduce the amount of use of a pre-existing asset.

7.   An electronic system as recited in claim 2, wherein said cost variable includes a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives.

8.   An electronic system as recited in claim 7, wherein said options include the leasing of additional assets.

9.   An electronic system as recited in claim 1, wherein said information includes asset identification data, maintenance history data, and lease term.

10.   An electronic system as recited in claim 9, wherein said identification data comprises an asset make/model and serial number.

11.   An electronic system as recited in claim 9, wherein said lease term includes at least two of a lease start date, a lease termination date, and a length of time between said lease start date and said lease termination date.

12.   An electronic system as recited in claim 1, further comprising a manual check and confirmation of said hierarchy of options, wherein a rejection of said hierarchy generates feedback selectively modifying said availability of future options by said system.

13.   An electronic system as recited in claim 1, wherein said options are presented to the asset user for consideration in order of expected acceptance.

14.   An electronic system as recited in claim 1, wherein one of said options is a new lease, wherein upon acceptance of said new lease, a new asset is delivered to the asset user, an off-leased asset is picked up, and said off-leased asset is disposed.

15.   An electronic system as recited in claim 1, wherein one of said options is a renewed lease, wherein upon acceptance of said renewed lease renewal documents are executed by the asset user.

16. An electronic system as recited in claim 1, wherein one of said options is an asset buyout, wherein upon acceptance of said asset buyout, the asset is purchased.

17. An electronic system for facilitating disposition of an asset currently under lease by an asset user, comprising:

at least one database configured to store information associated with a plurality of assets;

a set of pre-defined conditions related to a recommendation of asset disposition based on an automated analysis of said information within said system, each of said conditions comprising at least one of a time variable and a cost variable, at least one of said conditions being met;

a hierarchy of disposition options generated by said system based on said at least one of said conditions, wherein said conditions and said options are chosen to reduce expense by maximizing return on investment to the asset user; and

a manual check and confirmation of said hierarchy of options, wherein a rejection of said hierarchy generates feedback selectively modifying said availability of future options by said system.

18. An electronic system as recited in claim 17, wherein said time variable comprising a passage of time, said at least one of said conditions being met when an asset approaches the end of a lease term or when asset usage exceeds a usage criteria based on time in service; and

said cost viable including a comparison of a cost of leasing an asset with a threshold level representing lower cost alternatives.

19. An electronic system as recited in claim 17, said information including asset identification data, maintenance history data, and lease term, wherein said identification data comprises an asset make/model and serial number, and said lease term includes at least two of a

lease start date, a lease termination date, and a length of time between said lease start date and said lease termination date.

20.   An electronic system as recited in claim 17, wherein said options are presented to the asset user for consideration in order of expected acceptance, and wherein,

a first of said options comprises a new lease such that upon acceptance of said new lease, a new asset is delivered to the asset user, an off-leased asset is picked up, and said off-leased asset is disposed,

a second of said options is a renewed lease such that upon acceptance of said renewed lease renewal documents are executed by the asset user, and

a third of said options is an asset buyout such that upon acceptance of said asset buyout, the asset is purchased.

21.   A method for facilitating disposition of an asset currently under lease an asset user, comprising the steps of:

configuring at least one database and storing information associated with a plurality of assets;

analyzing said information in accordance with a set of pre-defined conditions, each of said conditions comprising at least one of a time variable and a cost variable;

meeting at least one of said pre-defined conditions;

recommending asset disposition using a hierarchy of disposition options; and

selecting said conditions and said options by reducing expense and maximizing return on investment to the asset user.

22.   A method as recited in claim 21, further comprising the step of:

instituting a manual check and confirmation of said hierarchy of options; and

said rejection of said hierarchy generating feedback, selectively modifying said availability of future options by said system.

23.   An electronic system as recited in claim 21, including the further step presenting said hierarchy of options to the asset user for consideration in order of expected acceptance, and wherein,

a first of said options comprises a new lease such that upon accepting said new lease, delivering a new asset to the asset user and picking up and disposing of an off-leased asset,

a second of said options is a renewed lease such that upon accepting said renewed lease renewal, the asset user executing renewal documents, and

a third of said options is an asset buyout such that upon accepting said asset buyout, the asset user purchases the asset.

APPENDIX B – EVIDENCE APPENDIX

In this Appeal, Appellants do not rely on any evidence submitted pursuant to 37 CF.R.F. §§ 1.130, 1.131, or 1.132, or on any other evidence entered by the Examiner.

APPENDIX C – THIS BOARD'S DECISION IN RELATED
CASES 09/441,289 AND 09/653,735

Paper No. 38

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte ANDREW E. SUHY and BRENT C. PARENT

Appeal No. 2004-1971
Application No. 09/441,289
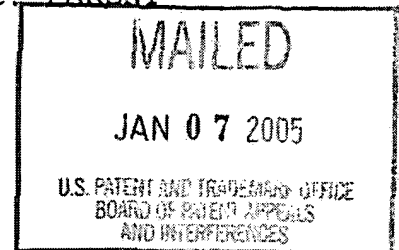
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U.S. PATENT AND TRADEMARK OFFICE
BOARD OF PATENT APPEALS
AND INTERFERENCES

ON BRIEF

Before BARRETT, BARRY, and LEVY, Administrative Patent Judges.

LEVY, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the examiner's final rejection of claims 16 and 21-48, which are all of the claims pending in this application.

BACKGROUND

Appellants' invention relates to an apparatus and method for tracking physical assets. An understanding of the invention can be derived from a reading of exemplary claim 16, which is reproduced as follows:

16.   A method for automatically gathering and analyzing data
without human intervention relating to an asset comprising the
steps of:

(a)   generating a maintenance invoice from an analysis
controller when service is performed on the asset, wherein the
maintenance invoice includes an indication of the amount of usage
of the asset, wherein said indication of the amount of usage is
captured by a data acquisition device, and wherein a receiver
receives the indication of the amount of usage from the data
acquisition device through a transmitter;

(g)   transmitting the maintenance invoice on a communication
network from the analysis controller to an administrative
controller;

(h)   comparing on the analysis controller, the indication of
the amount of usage of the asset with a predetermined standard
that is representative of the warranty period; and

(I)   generating a warranty report from said administrative
controller without said human intervention if the amount of usage
is less than the predetermined standard.

The prior art references of record relied upon by the

examiner in rejecting the appealed claims are:

McGuire et al. (McGuire)   4,404,639   Sep. 13, 1983
Nguyen et al. (Nguyen)   6,003,808   Dec. 21, 1999
                                        (filed Jul. 11, 1997)
Barzilai et al. (Barzilai)   6,012,045   Jan. 4, 2000
                                        (filed Jul. 1, 1997)
Yamamoto et al. (Yamamoto)   6,141,629   Oct. 31, 2000
                                        (filed Jul. 13, 1998)

Sager, Business Week, "The Great Equalizer," wysiwyg://19/htp://-
www.businessweek.com/1998/35/z3372007/htm (May 18, 1994)

Deierlein, Beverage World, "New Lease on truck life: Automated
Maintenance" ISSN: 0098-2318, v113n1566, pp. 138 (May 1994)

Claims 16 and 43-48 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Yamamoto in view of Deierlein, Sager, Nguyen and McGuire.

Claims 25-42 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Yamamoto in view of Barzilai, Nguyen and McGuire.

Rather than reiterate the conflicting viewpoints advanced by the examiner and appellants regarding the above-noted rejections, we make reference to the examiner's answer (Paper No. 34, mailed December 12, 2003) for the examiner's complete reasoning in support of the rejections, and to appellants' brief (Paper No. 33, filed September 11, 2003) for appellants' arguments thereagainst. Only those arguments actually made by appellants have been considered in this decision. Arguments which appellants could have made but chose not to make in the brief have not been considered.

OPINION

In reaching our decision in this appeal, we have carefully considered the subject matter on appeal, the rejections advanced by the examiner, and the evidence of obviousness relied upon by the examiner as support for the rejections. We have, likewise,

reviewed and taken into consideration, in reaching our decision,

appellants' arguments set forth in the brief along with the

examiner's rationale in support of the rejections and arguments

in rebuttal set forth in the examiner's answer. Upon

consideration of the record before us, we reverse.

We begin with the rejection of claims 16 and 43-48 under

35 U.S.C. § 103(a) as being unpatentable over Yamamoto in view of

Deierlein, Sager, Nguyen and McGuire. We turn first to claim 16.

In rejecting claims under 35 U.S.C. § 103, it is incumbent upon

the examiner to establish a factual basis to support the legal

conclusion of obviousness. See In re Fine, 837 F.2d 1071, 1073,

5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In so doing, the examiner

is expected to make the factual determinations set forth in

Graham v. John Deere Co., 383 U.S. 1, 17, 148 USPQ 459, 467

(1966), and to provide a reason why one having ordinary skill in

the pertinent art would have been led to modify the prior art or

to combine prior art references to arrive at the claimed

invention. Such reason must stem from some teaching, suggestion

or implication in the prior art as a whole or knowledge generally

available to one having ordinary skill in the art. Uniroyal,

Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1051, 5 USPQ2d 1434,

1438 (Fed. Cir. 1988); Ashland Oil, Inc. v. Delta Resins &

Refractories, Inc., 776 F.2d 281, 293, 227 USPQ 657, 664 (Fed. Cir. 1985); ACS Hosp. Sys., Inc. v. Montefiore Hosp., 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984). These showings by the examiner are an essential part of complying with the burden of presenting a prima facie case of obviousness. Note In re Oetiker, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). If that burden is met, the burden then shifts to the applicant to overcome the prima facie case with argument and/or evidence. Obviousness is then determined on the basis of the evidence as a whole. See id.; In re Hedges, 783 F.2d 1038, 1039, 228 USPQ 685, 686 (Fed. Cir. 1986); In re Piasecki, 745 F.2d 1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984); and In re Rinehart, 531 F.2d 1048, 1052, 189 USPQ 143, 147 (CCPA 1976).

From our review of the entire record, we note at the outset that the invoice of claim 16 does not have to be written on paper. Rather, the invoice can be displayed on a monitor. From the disclosure of Yamamoto, we find that the computer 21, which displays maintenance information such as the remaining hours until maintenance is due, is a disclosure of generating (on the monitor's display) a maintenance invoice from an analysis controller (computer 21). From the disclosure (col. 11, lines

17-23) that a determination is ordinarily made as to whether or

not the user has performed maintenance, such as an overhaul or

replacing consumable parts, the data is input into the computer

21, we find that the maintenance "invoice" is displayed on

computer 21 when service is performed on the asset. In addition,

in Yamamoto, an invoice of information regarding when maintenance

is due is displayed on computer 21 when the information is sent

to computer 21 by managing computer 51. In addition, as noted by

appellants (brief, page 16), Yamamoto is directed to determining

when maintenance should be performed, and is not directed to

generating a warranty report.

From the teachings of Deierlein of accessing the truck's

maintenance history, determining necessary repairs and auto-

matically informing the technician if a repair is covered by

warranty, and if so directly billing the supplier for the repair

or replacement, we find that Deierlein discloses both determining

needed maintenance, as well as whether the repair is covered

under a product warranty, and notifying the supplier. In

addition, from the disclosure of Nguyen of receiving fault codes

and developing a maintenance action log and removal records, as

well as a warranty report generator, we find that Nguyen also

discloses determining necessary repairs and determining if a

repair is covered under a product warranty, and generating a

warranty report. Because Yamamoto is directed to determining

when maintenance needs to be performed, we find that an artisan,

in view of the teachings of Deierlein and Nguyen, would have been

motivated to provide the maintenance time determining system of

Yamamoto with a system for additionally determining if a needed

repair is covered by a warranty, so that the company can be

repaid for the cost of the repairs. However, upon providing

Yamamoto with a warranty determination system, we find that the

system would be added to managing computer of network 50 of

Yamamoto (see figure 12) because network 50 manages and controls

the maintenance information (col. 9, lines 5-17) and updates the

remaining life of the machines. We find no evidence that an

artisan would have been motivated to provide the warranty

determination system of Nguyen to computer 21 at monitoring

station 20 of worksite 30, because computer 21 is the display

location where the user inputs into the system the information as

to maintenance that has been performed (col. 11, lines 17-23).

Since network 50 is where the maintenance information is managed

and controlled, we find that an artisan would have been motivated

to add the warranty determination system at managing computer 51

of network 50. However, claim 16 recites that the <u>analysis</u>

controller compares the amount of usage with a predetermined

standard representative of the warranty period. As the examiner

relies upon elements 20 and 21 of Yamamoto as the analysis

controller (answer, pages 9 and 10), we find that even if the

prior art were combined as suggested by the examiner, the

resultant structure would not meet all of the limitations of the

claim as the comparing of usage with warranty terms would be

carried out by managing computer 51 of network 50, and not by

computer 21 at worksite 30. Accordingly, the rejection of claim

16, and claims 43-48, dependent therefrom, is reversed.

We turn next to the rejection of claims 21-42 under

35 U.S.C. § 103(a) as being unpatentable over Yamamoto in view

of Barzilai, Nguyen and McGuire. The examiner acknowledges

(answer, page 7) that Yamamoto does not teach, inter alia,

automatic determination of whether or not maintenance has been

performed at the analysis controller. The examiner asserts (id.)

that it would have been obvious to one of ordinary skill to allow

the analysis controller to perform such a function.

From our review of Yamamoto, we find that Yamamoto discloses

(col. 8, line 62 through col. 9, line 4) that:

> A computer **21** having functions for coordinating the
> control of the vehicles within the work site **30** is
> installed in the monitoring station **20**. This computer

        21 comprises an input device for inputting information
pertaining to maintenance (in-house maintenance)
performed by the user in the work site **30** as will be
described below, and a display device for displaying,
to the user in the work site **30**, maintenance
information such as the remaining life until
maintenance due time (remaining hours) for each of the
plurality of vehicles **10**, **11**, ..., at the work site **30**.

From this disclosure of Yamamoto, we find that at computer 21,
which the examiner considers to be the claimed analysis
controller, information pertaining to maintenance information
performed by the user is input by the user. Because the
maintenance information is input by the user, we agree with the
examiner that Yamamoto does not teach that the analysis
controller makes an automatic determination of whether or not
maintenance has been performed. Claim 21 recites that "said
analysis controller being configured for automatically
determining without human intervention whether maintenance of the
asset has been provided."

    We are not persuaded by the examiner's assertion (answer,
page 7) that "[i]t would have been obvious to one of ordinary
skill to allow the analysis controller to support such a
function" because the analysis controller is linked to the
administrative controller. The fact that the computer 21

(analysis controller) and the network 50 (administrative

controller) communicate back and forth with each other (col. 9,

lines 24-30) is not a teaching of charging input by a user into

an automatic determination without human intervention, as

required by independent claim 21.

On pages 14 and 15 of the answer, the examiner takes the

position that with respect to claim 21, the examiner considers

network 50 to be the analysis controller. Irrespective of

whether the examiner considers computer 21 or network 50 (having

managing computer 51) to be the claimed analysis controller, the

fact that the maintenance information is inputted by the user

into computer 21 or computer 55 (described, supra) and then

transmitted to network 50, does not teach or suggest that the

input of information by the user results in the maintenance

information being automatically determined, without human

intervention, due to the configuration of the analysis

controller.

We note the disclosure of Yamamoto (col. 12, line 63 through

col. 13, line 3) that when an engine is overhauled at a

maintenance plant information to this effect is input by an input

device to computer 55 at the maintenance plant, and then input to

managing computer 51 via global network 50. From this disclosure

of Yamamoto, we find that input maintenance performed can be

input to computer 21 or to computer 55 and then input to managing

computer 51. Thus, we find that managing computer 51 does not

make an automatic determination, without human input, of

maintenance provided. Accordingly, neither computer 21 of

monitoring station 20 nor managing computer of network 50

automatically determines, without human intervention, whether

maintenance to the asset has been provided. The other references

do not make up for this feature missing from Yamamoto.

Accordingly, even if we combined the prior art as asserted by

the examiner, the resultant combination would not meet all of

the limitations of claim 21. Accordingly, we find that the

examiner has failed to establish a prima facie case of

obviousness of independent claim 21. The rejection of claim 21,

and claims 22-30, dependent therefrom, under 35 U.S.C. § 103(a)

is therefore reversed.

We turn next to independent claim 31. We reverse the

rejection of claim 31 because claim 31 recites, identically to

claim 21, that "said analysis controller being configured for

automatically determining without human intervention whether

maintenance of the asset has been provided." Accordingly, the

rejection of claim 31, and claims 32-37, dependent therefrom, is reversed.

We turn next to the rejection of claims 38-42. We observe at the outset that appellants do not provide any separate arguments for independent claim 38, and groups claim 38, inter alia, with independent claim 21. In contrast to independent claim 21, which recited that the analysis controller is configured for automatically determining without human intervention whether maintenance of an asset has been performed, claim 38 does not recite that the determination is automatic, or that the determination is done without human intervention. We note the disclosure of Yamamoto (col. 11, lines 17-19) that "[n]ext, a determination is ordinarily made as to whether or not the user has performed maintenance (in-house maintenance)." Yamamoto discloses that after the maintenance information is input, an addition point associated with the type of maintenance is added to the current score of the component (col. 11, lines 24-28). Although this determination is not automatic or done without human input, it is a determination made as a result of the configuration of computer 21. In addition, we find that as shown in figure 12 of Yamamoto, that assets 11, 12, and 13 do not necessarily communicate directly with monitoring station 10, but

rather can communicate through assets 10 and 13. In order to

communicate with monitoring station 20 through assets 10 and 13,

these assets will inherently contain a controller, to the extent

that the controller has been broadly set forth in claim 38. In

addition, we note that claim 38 does not recite a comparison

related to a predetermined standard representative of a warranty

period or the generation of a warranty report as recited in

independent claim 16. We are not persuaded by appellants

assertion (brief, page 17) that:

> the claims of Claim Group B are not obvious because the
> cited references do not teach all of the claim
> limitations of Claim Group B. Omissions in the cited
> art that are discussed below include: (I) an analysis
> controller located at a second location remote from
> said local controller; (ii) a data acquisition device
> to [sic, for] sensing at least one operating
> characteristic; and (iii) transmitting acquired data
> from the acquisition device through space to said
> receiver.

Local controllers 10 and 13 transmit over space to monitoring

station 10 which transmits over space "J" to managing and control

network 50, including managing computer 51. In addition, assets

11 and 12 have data acquisition devices which transmit infor-

mation to monitoring station 20 via local controllers 10 and 13.

Moreover, controllers 10 and 13 transmit data acquired from

acquisition devices on asserts 11 and 12 to monitoring station

20, which transmits the information to network 50. We are not

persuaded by appellants' assertion (brief, page 20) that no cited

reference discloses an administrative controller separate from

said analysis controller because claim 38, unlike independent

claim 16, does not recite an administrative controller separate

from the analysis controller.

Nor are we persuaded by appellants' assertion that there is

no motivation for combining the references. We make reference to

our findings, supra, for combining the teachings of Yamamoto and

Nguyen. In addition, although claim 38 does not recite the term

"warranty," the claim refers to responsible parties which we

construe to mean manufacturers whose product(s) are covered by

warranties. Upon providing Yamamoto with the warranty

determination system of Nguyen, the managing computer 51 would be

able to determine if a needed repair was covered by a warranty,

and if so, which manufacturer was responsible for the cost of the

warranty repair/replacement of an asset or part of an asset.

However, although computer 21 may be considered to provide a

determination of whether maintenance has been provided (Yamamoto

col. 11, lines 17-19) managing computer 51 is not disclosed as

making a determination of whether maintenance has been provided.

Upon combining the teachings of Yamamoto and Nguyen, the result

would be that the warranty determination system of Nguyen would

be provided in the managing computer 51 of network 50. However,

claim 38 requires that the analysis controller, in addition to

determining whether maintenance of an asset has been provided,

also automatically determines which responsible party is

responsible for the maintenance performed. Since managing

computer 51 would be automatically determining the responsible

party, and computer 21 would be determining if maintenance has

been provided, the two computers, on separate networks, cannot be

considered to be the same analysis controller. The examiner

relies upon Barzilai for a disclosure of collation of data to

obtain warranty data, and particularly for a teaching of the

company who will fulfill and correct the warranty problem. In

addition, the examiner relies upon McGuire for a disclosure of

automated invoicing.

With respect to Barzilai, we find the reference to be

cumulative of the disclosure of Nguyen who discloses a warranty

determination system, including the generation of warranty

reports, and does not overcome the basic deficiencies of Yamamoto

and Nguyen. In addition, as claim 38 does not recite invoicing,

we find McGuire to be cumulative to the teachings of Yamamoto,

Nguyen and Barzilai. From all of the above, we find that the

prior art fails to suggest all of the limitations of independent claim 38. Accordingly, the rejection of claim 38 under 35 U.S.C. § 103(a), and claims 39-42 which depend therefrom, is reversed.
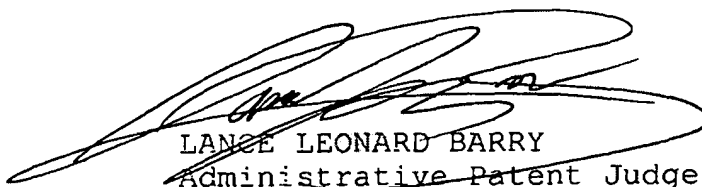
CONCLUSION

To summarize, the decision of the examiner to reject claims 16 and 25-48 under 35 U.S.C. § 103(a) is reversed.

REVERSED

LEE E. BARRETT   )
Administrative Patent Judge   )
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) BOARD OF PATENT
LANCE LEONARD BARRY   )   APPEALS
Administrative Patent Judge   )   AND
)   INTERFERENCES
)
)
)
STUART S. LEVY   )
Administrative Patent Judge

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39533 Woodward Avenue
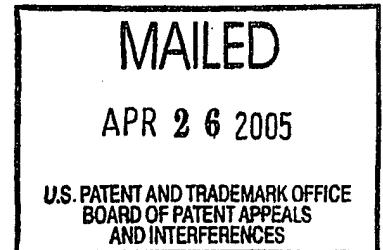Suite 140
Bloomfield Hills, MI 48304-0610

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

<u>Ex parte</u> ANDREW F. SUHY, JR.

Appeal No. 2005-0013
Application No. 09/653,735

ON BRIEF

> **MAILED**
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> APR 2 6 2005
>
> U.S. PATENT AND TRADEMARK OFFICE
> BOARD OF PATENT APPEALS
> AND INTERFERENCES

Before BARRETT, BARRY, and LEVY, <u>Administrative Patent Judges</u>.

LEVY, <u>Administrative Patent Judge</u>.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the examiner's final rejection of claims 1-8 and 12-24, which are all of the claims pending in this application.

BACKGROUND

Appellants' invention relates to an apparatus and method for tracking and managing physical assets. An understanding of the

invention can be derived from a reading of exemplary claim 1,

which is reproduced as follows:

1. A system for gathering and analyzing data relating to a non-fixed movable asset comprising:

a local controller located at a first location for acquiring data that is representative of at least one operating characteristic of the asset;

an analysis controller located at a second location that is responsive to said acquired data from said local controller for generating an analysis of said acquired data; and

an electronic communications network connected between said local controller and said analysis controller and permitting transmission of said acquired data from said local controller to said analysis controller; and

a sub-system that analyzes said at least one operating characteristic of the asset to determine a lease rate for the asset, the lease rate being a variable.

The prior art references of record relied upon by the

examiner in rejecting the appealed claims are:

Koether	5,875,430	Feb. 23, 1999
Nguyen et al. (Nguyen)	6,003,808	Dec. 21, 1999 (Jul. 11, 1997)
Albertshofer	6,230,081	May 8, 2001 (Aug. 7, 1998)

Claims 1-7 and 12-24 stand rejected under 35 U.S.C. § 103(a)

as being unpatentable over Koether in view of Albertshofer.

Claim 8 stands rejected under 35 U.S.C. § 103(a) as being

unpatentable over Koether in view of Albertshofer and Nguyen.

Rather than reiterate the conflicting viewpoints advanced by
the examiner and appellants regarding the above-noted rejections,
we make reference to the examiner's answer (Paper No. 16, mailed
May 17, 2004) for the examiner's complete reasoning in support of
the rejections, and to appellant's brief (Paper No. 15, filed
February 17, 2004) and reply brief (Paper No. 17, filed July 19,
2004) for appellant's arguments thereagainst. Only those
arguments actually made by appellant have been considered in this
decision. Arguments which appellant could have made but chose
not to make in the brief have not been considered. See 37 CFR
§ 41.37(c)(1)(vii).

OPINION

In reaching our decision in this appeal, we have carefully
considered the subject matter on appeal, the rejections advanced
by the examiner, and the evidence of obviousness relied upon by
the examiner as support for the rejections. We have, likewise,
reviewed and taken into consideration, in reaching our decision,
appellant's arguments set forth in the briefs along with the
examiner's rationale in support of the rejections and arguments
in rebuttal set forth in the examiner's answer.

Upon consideration of the record before us, we reverse,
essentially for the reasons set forth by appellant. We begin
with the rejection of claims 1-7 and 12-24 under 35 U.S.C.
§ 103(a) as being unpatentable over Koether in view of
Albertshofer. We turn first to independent claims 1, 13 and 18.

In rejecting claims under 35 U.S.C. § 103, it is incumbent
upon the examiner to establish a factual basis to support the
legal conclusion of obviousness. See In re Fine, 837 F.2d 1071,
1073, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In so doing, the
examiner is expected to make the factual determinations set forth
in Graham v. John Deere Co., 383 U.S. 1, 17, 148 USPQ 459, 467
(1966), and to provide a reason why one having ordinary skill in
the pertinent art would have been led to modify the prior art or
to combine prior art references to arrive at the claimed
invention. Such reason must stem from some teaching, suggestion
or implication in the prior art as a whole or knowledge generally
available to one having ordinary skill in the art. Uniroyal,
Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1051, 5 USPQ2d 1434,
1438 (Fed. Cir. 1988); Ashland Oil, Inc. v. Delta Resins &
Refractories, Inc., 776 F.2d 281, 293, 227 USPQ 657, 664 (Fed.
Cir. 1985); ACS Hosp. Sys., Inc. v. Montefiore Hosp., 732 F.2d
1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984). These showings

by the examiner are an essential part of complying with the

burden of presenting a prima facie case of obviousness. Note In

re Oetiker, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir.

1992). If that burden is met, the burden then shifts to the

applicant to overcome the prima facie case with argument and/or

evidence. Obviousness is then determined on the basis of the

evidence as a whole. See id.; In re Hedges, 783 F.2d 1038, 1039,

228 USPQ 685, 686 (Fed. Cir. 1986); In re Piasecki, 745 F.2d

1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984); and In re

Rinehart, 531 F.2d 1048, 1052, 189 USPQ 143, 147 (CCPA 1976).

The examiner's position (answer, pages 5 and 6) is that

Koether does not explicitly recite determining a lease rate. To

overcome this deficiency of Koether, the examiner turns to

Albertshofer for a teaching of an asset usage monitoring system

that monitors asset performance over time for determining a lease

rate. In addition, the examiner (id.) relies upon Webster's

Ninth College Dictionary for a definition of "rate" which is

defined as "'a quantity, amount, or degree of something measured

per unit of something else'." The examiner asserts (id.) that it

would have been obvious to calculate a rate based on any

quantity, amount or degree of something within the scope of

knowledge and understanding of an artisan, such as owners of

equipment who also maintain the equipment that they lease to others.   The examiner adds that it would have been obvious to combine the systems of Koether and Albertshofer in order to accurately determine fees for the rental and leasing of capital equipment.

The examiner additionally asserts (answer, page 9) that appellant has not made clear how "rate" is defined beyond the lease rate being a variable, and that in Albertshofer the lease rate is a variable as it is based on usage. It is further argued (id.) that appellant's specification does not support as specific a definition of rate as set forth in the brief.

Appellant asserts (brief, page 9) that the prior art does not teach or suggest the claim limitation of an analysis of "at least one operating characteristic of the asset to determine a lease rate for the asset," because the prior art doesn't teach determining a lease rate as recited in claims 1, 13 and 18.   It is further argued (brief, page 10) that Albertshofer teaches calculating a total lease amount based on usage duration of the vehicle or the distance it has gone, and that Albertshofer's rate is a constant independent of an operating characteristic. It is argued that Albertshofer does not teach determining a lease rate for an asset, much less determining a lease rate based on an

analysis of an operating characteristic of the assert. Appellant

asserts that Albertshofer's disclosure is directed toward one-

time usage of a golf cart, and that if a user rents the cart at

an hourly rate of $10, then renting it for two hours results in a

total lease amount of $20. Appellant adds that Albertshofer's

rate is a constant multiplied by the variable operating

characteristic, which is a usage duration, e.g., $10 per hour.

It is further asserted (id.) that in appellant's invention, the

rate is a variable affected by an analysis of at least on

operating characteristic. Appellant states (brief, page 11) that

"Albertshofer does not teach determining a lease rate that can

then be used as a variable in the calculation of the amount to be

charged for a lease."

Appellant further asserts (brief, page 12) that there is no

motivation to combine the teachings of Koether and Albertshofer.

It is argued that "[t]he examiner provides no explanantion as to

why one of ordinary skill in the art would have been motivated by

the cited references *to analyze an operating characteristic of an*

asset to determine a lease rate for the asset. Moreover, the

cited references provide no motivation for their combination."

Furthermore, with regard to claim 18, appellant adds (id.) that

neither reference discloses the claim limitation of "maintenance

information affecting said lease rate." It is argued (brief,
page 13) that although Albertshofer discloses using service
manuals to assist in automating vehicle maintenance, Albertshofer
does not teach using maintenance information to determine a lease
rate.

Upon careful review of Koether, we find the reference to be
silent as to leasing of the disclosed kitchen appliances, and the
examiner has failed to point to any suggestion in the reference
that the kitchen appliances can be leased. Because Koether is
completely silent as to leasing of the kitchen appliances, we
find no teaching or suggestion to combine the teachings of
Koether and Albertshofer as advanced by the examiner. However,
we find Albertshofer to be closer to the claimed invention than
the examiner recognized. Considering Albertshofer alone, we find
that Albertshofer discloses an information system for displaying
data on a golf cart (col. 1, lines 5-7). Albertshofer discloses
that it is known to lease electric or engine-powered equipment in
order to save on investment costs (col. 4, lines 9-12).
Accounting for such services is generally done in a time-
dependent fashion, or can be duty-dependent as a function of
duration and intensity of use (col. 4, lines 12-15). It is

disclosed that if the duty-hour counter or distance-gone counter

is tampered with, the result may be that the true wear and tear

of the equipment exceeds the level as calculated by the leasing

company on the basis of the information received (col. 4, lines

16-23). From the disclosure that accounting services are based

on time dependency, or duration and intensity of use, and the

disclosure suggesting that leases are calculated based on

estimated wear and tear of the product, we find that Albertshofer

teaches the determination of a lease rate by the leasing company,

that is based upon operating characteristics.

In addition, from the disclosure of wirelessly transmitting

collected data from the power equipment to the base station, we

find teachings of a local controller on the power equipment, an

analysis controller in the form of the base station, and an

electronic communications network in the form of wireless

communications between the power unit (golf cart) and the base

station (col. 3, lines 40-43). Albertshofer additionally

discloses (col. 5, lines 23-26) that "[v]ehicles, machines and

equipment of all kinds, be they electrically powered, engine

powered or peneumatically/hydraulically powered, as well as

lifting platforms and, for instance, golf carts are suitable as

such equipment items." From the disclosure that the system can be used with a hydraulically-powered lifting platform, we find that Albertshofer suggests using the system with a forklift, as disclosed by appellant.

However, although Albertshofer teaches or suggests determining a lease rate, we find no suggestion of a sub-system in Albertshofer for carrying out the determination of the lease rate. We presume that the information gathered by the base station is somehow used by the leasing company, through their accounting methods, to determine the lease rate. However, no sub-system is disclosed for analyzing the collected data from the golf cart or other equipment and using this analyzed data in determining the lease rate. Accordingly, we find that Albertshofer alone is not sufficient to teach or suggest appellant's independent claims 1, 13 and 18 which recite a sub-system for using the operating characteristic in determining the lease rate. Thus, because Albertshofer does not disclose the claimed sub-system, Albertshofer does not teach or suggest independent claims 1, 1 and 18. The rejection of independent claims 1, 13 and 18 under 35 U.S.C. § 103(a), and claims 2-7, 14-17, 12 and 21-24, dependent therefrom, is reversed.

We turn next to the rejection of claim 8 under 35 U.S.C.

§ 103(a) as being unpatentable over Koether in view of

Albertshofer and Nguyen. We cannot sustain the rejection of

claim 8 because the examiner has not shown, nor do we find, that

Nguyen makes up for the basic deficiencies of Koether and

Albertshofer. Accordingly, the rejection of claim 8 under 35

U.S.C. § 103(a) is reversed.

CONCLUSION

To summarize, the decision of the examiner to reject claims

1-8 and 12-24 under 35 U.S.C. § 103(a) is reversed.

No time period for taking any subsequent action in

connection with this appeal may be extended under 37 CFR § 1.136

(a)(1)(iv)(effective September 13, 2004; Fed. Reg. 49960 (August

12, 2004).

REVERSED

LEE E. BARRETT   )
Administrative Patent Judge   )
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) BOARD OF PATENT
LANCE LEONARD BARRY   )   APPEALS
Administrative Patent Judge   )   AND
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